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| APPLICATION NO. | FILING DATE | FIRST NAMED INVENTOR | ATTORNEY DOCKET NO. | CONFIRMATION NO. |
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| 10/625,000 | 07/22/2003 | Gary William Flake | 5598/67 | 8179 |

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| EXAMINER | |
|---|---|
| KARDOS, NEIL R | |

| ART UNIT | PAPER NUMBER |
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| 3609 | |

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**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

| Office Action Summary | Application No. | Applicant(s) | |
|---|---|---|---|
| | 10/625,000 | FLAKE ET AL. | |
| | Examiner | Art Unit | |
| | Neil R. Kardos | 3609 | |

*-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --*

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

1)☒ Responsive to communication(s) filed on *22 July 2003*.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

4)☒ Claim(s) *1-14* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-14* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

**Application Papers**

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☒ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date *4/19/04, 7/15/05*.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____.
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

## DETAILED ACTION

1. This Non-Final Office Action is in response to the application filed on July 22, 2003. Currently, claims 1-14 are pending.

### *Claim Objections*

2. Claim 12 is objected to because of the following informalities:

Claim 12 recites the limitation "the same number of highest quantities as lowest quantities." There is insufficient antecedent basis for this limitation in the claim.

Appropriate correction is required.

### *Claim Rejections - 35 USC § 112*

The following is a quotation of the second paragraph of 35 U.S.C. 112:

> The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

3. Claims 11, 12, and 14 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claims 11, 12, and 14 contain the limitation "omitting from the median click calculation one or more highest and lowest price quantities." In these limitations, it is unclear how price quantities are involved in a calculation involving a click calculation. The claims do not necessitate including a price in the median click calculations. If there are no prices included in these calculations, it is impossible to exclude certain price quantities.

***Claim Rejections - 35 USC § 102***

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

> (b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

4. Claims 1-9 and 13 are rejected under 35 U.S.C. 102(b) as being anticipated by U.S. Patent number 6,269,361 to Davis et al (hereinafter referred to as "Davis").

As per claim 1, Davis discloses within a computerized system for allowing transactions in instruments, the instruments being capable of being valued based on values of term-based concepts, and terms of the concepts being useable in computerized searches, a method for valuing a concept comprising a set of one or more terms, the method comprising:

obtaining quantitative data associated with at least one of the concept and one or more of the terms of the term set (see column 21, lines 14-16);

operating on the data to produce a quantitative statistic (see column 21, lines 16-19); and

determining a value of the concept based at least in part on the produced statistic (see column 21, lines 8-14).

As per claim 2, Davis discloses a method comprising obtaining quantitative data associated with at least one of demand for the concept and demand for one or more of the terms of the term set (see column 21, lines 14-16).

As per claim 3, Davis discloses a method comprising obtaining quantitative data associated with at least one of demand for the concept for use in advertising and demand for one

or more of the terms of the term set for use in advertising (see column 21, lines 14-16; also see column 13, line 3-9).

As per claim 4, Davis discloses a method comprising measuring the demand for use in advertising based on one or more amounts paid for use in advertising (see column 13, lines 9-13).

As per claim 5, Davis discloses a method comprising measuring the demand for use in advertising based on one or more amounts paid for use in advertising, wherein the use in advertising comprises obtaining one or more rights to have an advertisement included in results from one or more computerized searches using at least one of the terms of the term set (see column 13, lines 9-16).

As per claim 6, Davis discloses a method comprising operating on the data by using the data in at least one mathematical formula (see column 21, lines 19-26).

As per claim 7, Davis discloses a method comprising collecting quantitative data relating to one or more Pay-Per-Click auctions (see column 9, lines 45-49).

As per claim 8, Davis discloses a method comprising operating on the data by using at least one of a total revenue per period calculation, a median revenue per period calculation, an average revenue per period calculation, an average of median bidded price calculation, and a median of median clicked price calculation, and a median click calculation (see column 21, lines 16-26).

As per claim 9, Davis discloses a method comprising taking at least one measure to prevent intentional manipulation of the value of the concept (see column 11, lines 4-11; also see figures 3-4).

As per claim 13, Davis discloses within a computerized system for allowing transactions in instruments, the instruments being capable of being valued based on values of term-based concepts, and terms of the concepts being useable in computerized searches, a method for valuing a concept comprising a set of one or more terms, the method comprising:

obtaining quantitative data associated with at least one of demand for the concept and demand for one or more of the terms of the term set (see column 21, lines 14-16);

operating on the data to produce a quantitative statistic (see column 21, lines 16-19); and

determining a value of the concept based at least in part on the produced statistic (see column 21, lines 8-14),

comprising taking at least one measure to prevent intentional manipulation of the value of the concept (see column 11, lines 4-11; also see figures 3-4).

***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

5. Claim 10 is rejected under 35 U.S.C. 103(a) as being unpatentable over Davis in view of U.S. Pre-Grant Publication number 2003/0028529 to Cheung et al (hereinafter referred to as "Cheung").

As per claim 10, Davis does not explicitly disclose a method comprising taking at least one measure to maintain liquidity.

Cheung teaches an account service that allows a user to refund money to the user's credit card (see paragraph 155, lines 4-11). It would have been obvious to one of ordinary skill in the art at the time the invention was made to incorporate this feature of Cheung's account service into the account service of Davis's invention. One of ordinary skill in the art would have been motivated to do so in order to refund customers (see Cheung, paragraph 155, lines 4-11).

6. Claims 11, 12, and 14 are rejected under 35 U.S.C. 103(a) as being unpatentable over Davis in view of Official Notice.

As per claims 11, 12, and 14, Davis does not explicitly disclose a method comprising operating on the data by using a median click calculation, and comprising omitting from the median click calculation one or more highest and lowest price quantities. Neither does Davis disclose said method wherein an equal number of highest and lowest quantities are omitted.

Official Notice is taken that it is well known in the statistical arts to omit outliers (such as the highest and lowest values) from the calculation of a median in order to increase the accuracy of the results. It would have been obvious to one of ordinary skill in the art at the time the invention was made to apply well-known statistical theory to the invention of Davis. One of ordinary skill in the art would have been motivated to do so in order to increase the accuracy of median calculations.

***Double Patenting***

Claims 1-3, 6, and 7 of this application conflict with claims 1, 7, and 22 of Application No. 10/625,082. 37 CFR 1.78(b) provides that when two or more applications filed by the same applicant contain conflicting claims, elimination of such claims from all but one application may be required in the absence of good and sufficient reason for their retention during pendency in more than one application. Applicant is required to either cancel the conflicting claims from all but one application or maintain a clear line of demarcation between the applications. See MPEP § 822.

The nonstatutory double patenting rejection is based on a judicially created doctrine grounded in public policy (a policy reflected in the statute) so as to prevent the unjustified or improper timewise extension of the "right to exclude" granted by a patent and to prevent possible harassment by multiple assignees. A nonstatutory obviousness-type double patenting rejection is appropriate where the conflicting claims are not identical, but at least one examined application claim is not patentably distinct from the reference claim(s) because the examined application claim is either anticipated by, or would have been obvious over, the reference claim(s). See, e.g., *In re Berg*, 140 F.3d 1428, 46 USPQ2d 1226 (Fed. Cir. 1998); *In re Goodman*, 11 F.3d 1046, 29 USPQ2d 2010 (Fed. Cir. 1993); *In re Longi*, 759 F.2d 887, 225 USPQ 645 (Fed. Cir. 1985); *In re Van Ornum*, 686 F.2d 937, 214 USPQ 761 (CCPA 1982); *In re Vogel*, 422 F.2d 438, 164 USPQ 619 (CCPA 1970); and *In re Thorington*, 418 F.2d 528, 163 USPQ 644 (CCPA 1969).

A timely filed terminal disclaimer in compliance with 37 CFR 1.321(c) or 1.321(d) may be used to overcome an actual or provisional rejection based on a nonstatutory double patenting

ground provided the conflicting application or patent either is shown to be commonly owned with this application, or claims an invention made as a result of activities undertaken within the scope of a joint research agreement.

Effective January 1, 1994, a registered attorney or agent of record may sign a terminal disclaimer. A terminal disclaimer signed by the assignee must fully comply with 37 CFR 3.73(b).

Claims 1-3, 6, and 7 are provisionally rejected on the ground of nonstatutory obviousness-type double patenting as being unpatentable over claims 1, 7, and 22 of copending Application No. 10/625,082. Although the conflicting claims are not identical, they are not patentably distinct from each other.

As per claim 1 of the application being examined herein, claim 1 of the conflicting application discloses the same method, wherein the quantitative data and quantitative statistic are a participant utilization of the associated concepts.

As per claims 2 and 3 of the application being examined herein, claim 7 of the conflicting application discloses the same method.

As per claims 6 and 7 of the application being examined herein, claim 22 of the conflicting application discloses the same method, wherein (for claim 6) the mathematical formula is a pay per click (dollar amount / number of clicks).

This is a provisional obviousness-type double patenting rejection because the conflicting claims have not in fact been patented.

***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Neil R. Kardos whose telephone number is (571) 270-3443. The examiner can normally be reached on Mon-Thu and alternating Fridays from 7:30 to 5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Tom Dixon can be reached on (571) 272-6803. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Neil R. Kardos
Examiner
Art Unit 3609

THOMAS A. DIXON
SUPERVISORY PATENT EXAMINER

NRK